

**SELECTION STATEMENT FOR RFP5-01489-113  
GODDARD LOGISTICS SERVICES CONTRACT AT  
NASA's GODDARD SPACE FLIGHT CENTER, GREENBELT, MARYLAND**

On December 8, 2000, I along with other management officials met with the Chairperson and members of the Source Evaluation Board (SEB) for the purpose of selecting a source for the Goddard Logistics Services Contract (GLSC) at NASA/GSFC.

**PROCUREMENT DESCRIPTION**

The successful Offeror will provide logistics services, including project logistics, supply operations, transportation, equipment management, and administrative services to be performed at GSFC in Greenbelt, Maryland and Wallops Island Virginia locations, NASA Headquarters in Washington, D.C., and the NASA IV&V Facility in Fairmont, West Virginia. Additionally, services may be provided to other NASA Centers and to other Federal agencies.

The resulting contract is a Cost-Plus-Incentive Fee/Award Term, Performance Based Contract. The contract will have a three-year core period with the potential to earn seven one-year award terms for a maximum 10-year contract. The phase-in period will be 30 days starting on or about January 1, 2001.

Proposals were received from the following two companies:

|         |                                  |
|---------|----------------------------------|
| Prime:  | EG&G Technical Services, Inc.    |
| Sub(s): | The Cube Corporation             |
|         | ServiceSource                    |
|         | Logistics Management Institute   |
| Prime:  | Cortez III Service Corporation   |
| Sub(s): | QSS Group, Inc.                  |
|         | Terwilliger Consulting, Inc.     |
|         | Hi-End Technology Services, Inc. |
|         | ServiceSource                    |
|         | Howard University                |
|         | Bowie State University           |

**EVALUATION PROCEDURE**

This procurement was conducted in accordance with the Federal Acquisition Regulation (FAR) Part 15, Contracting by Negotiation and NASA FAR Supplement (NFS) 1815.3 Source Selection Procedures. The Request for Proposals (RFP) for this procurement was released on July 7, 2000. The following streamlined acquisition techniques were used:

**Past Performance** - A questionnaire was included as part of the RFP. Offerors were responsible for ensuring that the completed questionnaires were sent directly from their references to the Government by the proposal due date.

**Special Techniques** - The solicitation required that the content of the Offeror's technical proposal include an oral proposal presentation and written plans. Specifically, oral presentations were required for Mission Suitability Subfactor A, Understanding the Approach to Meeting the Requirement, paragraphs a through d, which covered the approach and ability to

meet the Statement of Work (SOW) requirements; integrating complementary SOW functions; functions performed at specific locations; contractual arrangements; and innovations, alternatives, exceptions. Also oral presentations were required for Mission Suitability Subfactor B, Management Plan, paragraphs a through e, which covered the organizational structure; management procedures and functions; company resources; and staffing and recruiting plan. Offerors were required to submit the following items in writing: a List of Critical Position Qualifications under Subfactor A; a Total Compensation Plan, Phase-In Plan, and a Small Business Subcontracting Program under Subfactor B; the entire response to Subfactor C, Quality Control; and the entire response to Subfactor D, Small Disadvantaged Business (SDB) Participation Program.

The points allocated to the Mission Suitability Subfactors as specified in the solicitation were:

|  |             |
|--|-------------|
| Subfactor A, Understanding the Approach to Meeting the Requirement | 500 points  |
| Subfactor B, Management Plan                                       | 300 points  |
| Subfactor C, Quality Control                                       | 150 points  |
| Subfactor D, Small Disadvantaged Business Participation Program    | 50 points   |
| Total Points   | 1000 points |

The SEB adjectively rated and point scored the proposals under each Mission Suitability Subfactor in accordance with NFS 1815.305(a)(3)(A). The points for each subfactor were then totaled to arrive at the total points received by each company for the entire Mission Suitability Factor.

In accordance with NFS 1815.305(a)(3)(B), a structured approach was used to adjust the Offeror's overall Mission Suitability score based on the degree of cost realism. The Technical point score adjustment was based on the percentage difference between the proposed and probable cost. The solicitation contained the following Technical cost realism point adjustment:

| <u>Percentage Difference</u> | <u>Point Adjustment</u> |
|------------------------------|-------------------------|
| +/- 5%                       | -0                      |
| +/- 6% to 10%                | -50                     |
| +/- 11% to 15%               | -100                    |
| +/- 16% to 20%               | -150                    |
| +/- 21% to 30%               | -200                    |
| +/- more than 30%            | -300                    |

Cost and Past Performance were evaluated by the SEB but were not numerically scored. An adjective rating was assigned for the Past Performance Factor.

The solicitation stated the following regarding the relative weight of the evaluation factors:

"The Cost Factor is significantly less important than the combined importance of the Mission Suitability Factor and the Past Performance Factor. As individual factors, the Cost Factor is approximately equal to the Mission Suitability Factor, and both are individually more important than the Past Performance Factor."



## MISSION SUITABILITY EVALUATION

### EG&G Technical Services, Inc.

EG&G's proposal for the Understanding the Approach to Meeting the Requirement Subfactor was rated as poor. EG&G failed to demonstrate an adequate understanding of any of the seven major SOW requirements and multiple areas of the SOW were either omitted or not specifically discussed. EG&G also did not discuss their approach for providing support to multiple sites from a single location or adequately explain the rationale and benefit for the placement of subcontractors within various functions. EG&G's proposed critical position qualifications did not adequately demonstrate functional knowledge and expertise for all critical areas. In addition, the proposed information system integrations did not reflect an accurate understanding of the logistics software utilized to manage the various functions and for which the contractor will be expected to operate, maintain, and upgrade.

EG&G's proposal for the Management Plan Subfactor was rated as poor. EG&G has significant local personnel resources in several functional areas which may be called upon to support emergent requirements. However, EG&G failed to demonstrate an understanding of the skill mix and specialized skill sets required to support the SOW requirements. Also, EG&G failed to demonstrate how the proposed total compensation package is reasonable and competitive for incumbent capture and retention. EG&G also proposed significant reductions in personnel due to the implementation of a major warehouse consolidation, which is not feasible due to the availability of warehouse space at Greenbelt and Wallops Island. In addition, their Phase-In Plan did not address in any detail several major activities that need to be accomplished. Finally, EG&G's total compensation package failed to demonstrate a reasonable and competitive approach for the high incumbent capture and retention they proposed.

EG&G's proposal for the Quality Control Subfactor was rated as very good. EG&G proposed to analyze core functions and develop process flowcharts using a sophisticated logistics model to baseline all contract operations in order to improve process efficiencies. EG&G also proposed a dedicated Quality Control Manager and proposed ISO 9002 registration for all contract operations. However, EG&G emphasized the promotion of minimum levels of acceptable performance to the workforce, which will risk the achievement of desired levels of acceptable performance in order to be awarded additional award term periods.

EG&G's proposal for the Small Disadvantaged Business Participation Program Subfactor was rated as good. EG&G provided adequate details concerning their SDB Participation Program and proposed an SDB participation goal which met the RFP's goal.

### Cortez III Service Corporation

Cortez's proposal for the Understanding the Approach to Meeting the Requirement Subfactor was rated as very good. Cortez demonstrated a comprehensive understanding of the Statement of Work (SOW) requirements by providing detailed strategies, approaches and innovations for accomplishing all major elements. Their demonstrated insight concerning future issues affecting the Logistics Management Division (LMD) and proposed risk mitigation objectives and benefits were excellent. Cortez's contractual arrangements and plan for integrating a diverse group of companies provided a creative and technically sound approach for accomplishing work at off-site and on-site locations. Cortez also provided a comprehensive



plan for managing support at multiple locations using a "Hub-Spoke" approach which reflected an overall understanding of the logistics services required.

Cortez's proposal for the Management Plan Subfactor was rated as excellent. Cortez provided a comprehensive and fully integrated organizational structure with clear lines of authority and accountability at every organizational level. The Program Manager's substantial authority for all contract operations and direct access to corporate resources as well as his full authority for program execution were noteworthy features. Cortez provided an extensive strategy for retaining and recruiting personnel and demonstrated a thorough understanding of the staff, skill mix, and qualifications necessary to accomplish the SOW requirements. Their Small Business Subcontracting Plan was highly detailed and proposed a small business subcontracting goal that significantly exceeded the RFP's goal. Cortez's Phase-In-Plan addressed all functional and administrative activities necessary for a smooth transition.

Cortez's proposal for the Quality Control Subfactor was rated as excellent. Cortez proposed a detailed Quality Control Plan which includes an effective management process, demonstrates a thorough understanding of a performance-based statement of work, and places extensive emphasis on safety. In addition, they provided a comprehensive integration of quality control processes and an approach for continuous quality improvement.

Cortez's proposal for the Small Disadvantaged Business Participation Program Subfactor was rated as excellent. Cortez provided detailed and comprehensive information concerning their proposed SDB Participation Program and included a participation goal that significantly exceeded the goal established in the RFP. The Plan provides ample opportunities for SDBs and aids the Center in meeting its SDB goals.

#### COST EVALUATION

A cost analysis of the cost-plus-incentive fee price, phase-in price, and option price was performed to determine reasonableness and cost realism in accordance with Federal Acquisition Regulation (FAR) 15.305(a)(1), FAR 52.217-5, and NFS 1815.305(a)(1)(B) and (C).

The total phase-in price, total proposed cost, and total probable cost for the potential ten-year period of performance was presented to the Source Selection Authority. The probable cost, including the phase-in price and the option price was used for the purpose of source selection. EG&G submitted the lowest proposed cost by a significant margin over the cost submitted by Cortez. However, subsequent probable cost adjustments for reasonableness and cost realism to both proposals resulted in EG&G's probable cost being only slightly lower than the Cortez probable cost. In accordance with NFS 1815.305(a)(3)(B), based on the percentage difference between the proposed and probable cost, the Mission Suitability Score for EG&G was adjusted downward and no adjustment to the Mission Suitability Score for Cortez was required.

#### PAST PERFORMANCE EVALUATION

The evaluation was conducted in accordance with FAR 15.305(a)(2) and NFS 1815.305(a)(2), "Past performance evaluation".

EG&G received a rating of excellent for their past performance. Overall, EG&G received a mixture of excellent and very good ratings on all references. On the whole, these contracts indicate that EG&G has a moderate to significant degree of experience in all areas of the SOW elements to be performed. In addition, the proposed subcontractors possess a moderate to

significant degree of relevant experience and received a mixture of excellent and very good ratings.

Cortez received a rating of excellent for their past performance. Overall, Cortez received excellent ratings on all references received. The scope of work performed on each contract represents a complete set of all the SOW elements performed, in addition to a significant degree of experience in those elements. Also, the proposed subcontractors possess a moderate to significant degree of relevant experience, as well as a significant degree of excellent ratings, with a few very good ratings.

#### DECISION

At the conclusion of the SEB presentation, I solicited and received the views of key senior GSFC personnel who heard the presentation, who have responsibility related to the procurement, and who understood the application of the evaluation factors set forth in the RFP. I then determined that it was appropriate to award the contract based on initial evaluations without further discussions with the Offerors. It was noted that Cortez received the highest overall Mission Suitability rating by a wide margin over EG&G. In considering the probable cost analysis, we noted no discernable advantage for either Offeror. We then noted that both Cortez and EG&G, along with their proposed team members, were considered "excellent" under the Past Performance Factor. In short, Cortez offered a significant advantage over EG&G in the Mission Suitability area with no significant discriminators over EG&G in the areas of Cost or Past Performance.

Based on the foregoing, I conclude, for the reasons stated above, that the Cortez proposal was the most advantageous to the Government. Accordingly, I selected the Cortez proposal for award of the Goddard Logistics Services Contract.



Alison McNally  
Source Selection Authority